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(1) Mainichi analysis: Aso likely to achieve overwhelming victory, securing majority of lawmaker votes and 70 PERCENT of local chapter

MAINICHI (Top play) (Full) September 14, 2008

The Mainichi Shimbun analyzed Sept. 13 information gathered about the LDP presidential election on Sept. 22, in which both the LDP Diet members and local chapter representatives would cast votes. The situation showed that Secretary General Taro Aso is likely to garner about 200 votes out of the 386 LDP Diet members who are to cast one ballot each and about 100 votes out of the 141 local chapter votes. As a result, chances are high that Aso will win the presidency without a runoff vote, collecting more than 300 votes, well over a majority of the total of 527 votes. Nevertheless, the situation remains still fluid as some 20 PERCENT of the LDP lawmakers have yet to make up their minds and there is a move to turn the tables, including local votes.

Besides Aso, the race is being fought among former Policy Research Council Chairman Nobuteru Ishihara, 51, former Defense Minister Yuriko Koike, 56, former Defense Minister Shigeru Ishiba, 51, and Economy and Fiscal Policy Minister Kaoru Yosano 70. Besides Aso, Yosano is a step ahead of the other three.

By faction, Aso has secured the support of all 28 members of the Ibuki faction, which has decided to back him as faction, and generally all 16 Nikai and 15 Koumura faction members, in addition to the 20 Aso faction members. Support for Aso is also spreading in the Tsushima faction (69 members), Koga faction (61), and Yamasaki faction (41). The situation also shows that Aso is gripping the

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harts of a majority of the members of the Machimura faction, the largest in the party.

Support for Yosano, a lawmaker with no factional allegiance, centers on the Tsushima and Koga factions, with 30 PERCENT of them backing him. Meanwhile, support for Ishihara, Koike, and Ishiba comes from 20-40 PERCENT of the Yamasaki, Machimura, and Tsushima factions.

The local votes will be determined through "primaries" by 47 prefectural chapters and fraternity members. The Mainichi Shimbun has found that 16 prefectural chapters would employ the winner-takes-all method in which the top contestant takes all three votes and 31 prefectural chapters would take the D'Hondt system in which votes are allocated to each candidate according to the percentage of votes each wins.

Aso has secured almost all winner-takes-all prefectural chapters except for Tottori, Ishiba's home turf. Aso is also likely to garner two to three votes in almost all D'Hondt prefectural chapters excluding several chapters where the situations are murky.

(2) Koizumi declares support for Koike: Is he eyeing political realignment, which could involve DPJ?

MAINICHI (Page 5) (Full) September 13, 2008

Former Prime Minister Junichiro Koizumi on September 12 declared his support for former Defense Minister Yuriko Koike in the Liberal Democratic Party (LDP) presidential election. It is believed that his aim is to shake up the campaign, in which Secretary General Taro Aso holds a commanding lead, as well as to boost support for Koike with an eye on political realignment, which could occur around the next Lower House election. He also appears to want to prevent former Secretary General Hidenao Nakagawa, who backs Koike, from becoming isolated in the party.

Koizumi concerned about factions holding consultations

Though Nakagawa and former Secretary General Tsutomu Takebe had repeatedly asked Koizumi to support Koike in the LDP presidential election campaign, Koizumi refrained from indicating a clear-cut stance. He, however, indicated his decision to back Koike, saying during a meeting with Takebe and others in Tokyo on the morning of

the 12th, "The LDP, if it is headed by Koike, would be a good match for the Democratic Party of Japan (DPJ or Minshuto) led by Mr. Ozawa." He also pointed out, "The LDP is facing a serious crisis, but they do not have enough of a sense of crisis." He thus expressed strong concern about the ongoing presidential campaign, which is increasingly showing indications that factions are holding consultations.

Nakagawa at a meeting of Koike's campaign headquarters excitedly said, "That's just what I'd expected from Mr. Koizumi. I have deepened my sense of reverence for him." Koike also told reporters, "I am encouraged by Mr. Koizumi's declaration."

Former Prime Minister Yoshiro Mori, who backs Aso, previously told lawmakers who were concerned that Koizumi could back Koike, "Don't worry. Mr. Koizumi won't move." However, he on the 12th reportedly said with a disappointed look, "I don't know. If he wants to back her, he can do so."

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In September 2005, when he was prime minister, Koizumi proposed a grand coalition to then DPJ President Seiji Maehara. He thus has an understanding with junior DPJ reformist lawmakers. Koizumi's statement appears to indicate that he believes there could be political realignment, centered on the losers of the LDP presidential election and the DPJ.

(3) Considering giving key posts to Yosano and others: Aso hints at early dissolution of Lower House

ASAHI (Page 1) (Full) September 13, 2008

Secretary General Taro Aso, who is taking the lead in the Liberal Democratic Party (LDP) presidential campaign, on September 12 firmed up a policy of offering key cabinet and party posts other candidates, starting with State Minister for Economic and Fiscal Policy Kaoru Yosano, in the event of his assuming the premiership. He also indicated at an open debate held at the Japan National Press Club in Tokyo his intention to dissolve the Lower House at an early date while LDP approval ratings are still high after the presidential election.

Referring to the formation of a cabinet after his nomination for prime minister, Aso said: "I will give priority to solidarity. However, I will basically appoint the right persons for the right jobs." He is expected to appoint his rival candidates who have fought well in the presidential election to key posts, such as ministers and the three top party officers. Concerning the timing of dissolving the Lower House for a snap election, one reporter asked him whether he would reach a judgment after seeing cabinet approval ratings. Aso replied, "That's only natural."

The Koizumi administration in its last days adopted a policy of constraining growth in social security expenditures to 1.1 trillion yen over five years or 220 billion yen a year. Aso hinted at taking a second look at this policy, noting, "My candid feeling is that policy has just about reached its limit." He also hinted at looking into putting on hold the government's fiscal reconstruction goal of moving the primary balance into the black by fiscal 2011. He said: "It is correct to maintain that policy as a target. However, when that policy was adopted, the nominal growth rate was 2 PERCENT. However, it is now a negative 3 PERCENT. The present economic situation is very harsh."

He ruled out the issuance of deficit-covering government bonds, saying: "People tend to say that more public spending is synonymous with issuing deficit-covering government bonds. However, fiscal disbursements do not immediately mean issuing such bonds."

(4) Negotiations on nuclear verification suspended, with no response from North Korea to U.S. new proposals

YOMIURI (Page 2) (Full) September 14, 2008 (Miyazaki, Washington)

Negotiations between the U.S. and North Korea have been suspended as North Korea has made no response to a report with new proposals presented by the U.S. in late August on a nuclear verification

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regime, according to a senior U.S. government official on Sept. 12.

No response may be attributed to Kim's illness

The senior U.S. official said: "The possibility of Kim Jong Il's illness cannot be ruled out" as the main reason for North Korea's no response, indicating that North Korean officials might be unable to receive instructions on how to respond to the new U.S. proposals. Concern is growing of further stagnation in the six-party talks to denuclearize North Korea.

According to the U.S. government official, U.S. State Department official Sung Kim, special envoy to the six-party talks, handed the new draft report over to a North Korean official during their meeting in New York on Aug. 22. Although the U.S. official did not reveal the contents of the report, a source close to the six-party talks, keeping in mind the North's official refusal to allow sampling of nuclear materials and inspections of all nuclear facilities in North Korea as proposed by the U.S. in its report in July, thinks the new report may contain partially corrected phrases on these measures.

The fresh report must be more acceptable for North Korea than the July report, but North Korean authorities remain unresponsive.

There are rumors that North Korean leader Kim Jong Il had a stroke in mid- or late August. The U.S. official indicated that Kim might be unable to give instructions on a response to the new proposal report. On North Korea's resumption of work to reassemble its Yongbyon reactor, the U.S. official thinks that Kim gave the instruction before he had a stroke.

The senior U.S. government official said: "What we can do now is just wait for the other side's response," indicating that the U.S. would make no more concessions.

(5) Unknown sub intrudes into territorial waters

YOMIURI (Page 1) (Full) September 15, 2008

A submarine of unknown nationality yesterday morning intruded into Japan's territorial waters near the Bungo Strait off Ashizurimisaki cape in Kochi Prefecture. The Maritime Self-Defense Force Aegis-equipped destroyer Atago, which was on a training mission, spotted the submarine at around 7 a.m. about seven kilometers inside Japan's territorial wasters (12 nautical miles or about 22 kilometers). The Atago chased the submarine but lost track of the submarine about 1 hour and 40 minutes after its discovery of the submarine. The Defense Ministry and the Self-Defense Forces are continuing the search for the submarine and are also analyzing gathered information to determine the submarine's nationality, path, and intentions.

According to the Defense Ministry, the captain and his officers onboard the Atago spotted what appeared to be a submarine periscope at 6:56 a.m. at sea about one kilometer ahead of the Atago. At 7 a.m., the Atago used its active sonar to search for the submarine. After about 30 minutes, the Atago judged that it likely was a submarine. The submarine is believed to have left Japan's territorial waters after 7 a.m., heading southward.

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The United Nations Convention on the Law of the Sea (UNCLOS) requires foreign submarines to navigate on the surface and show

their flags when passing through the territorial waters of other countries. The Defense Ministry has confirmed that the submarine was not a U.S. Navy vessel, and the ministry takes it as an intentional violation of Japanese waters.

In November 2004, a Chinese naval submarine violated Japan's territorial waters and cruised underwater for about three hours. The government ordered the MSDF to carry out maritime security operations. In January 2005, the government decided to issue an order in principle for maritime security operations against submarines that violate Japanese waters. This time, however, the government did not issue that order. "The submarine was already out of Japan's territorial waters by the time we had confirmed it was a submarine," Defense Minister Hayashi told reporters yesterday evening. "I judged that the submarine was unlikely to return to Japan's territorial waters," he added.

(6) Foreign Ministry tolerates leaks of water containing radiation from nuclear vessels without disclosing U.S. explanation made 45 years ago

MAINICHI (Page 26) (Full) September 13, 2008

Prior to the planned deployment of the nuclear-powered USS George Washington at Yokosuka Port in Kanagawa Prefecture on Sept. 25, concern is growing that cooling water containing radiation might leak from the aircraft carrier. Behind this concern is the fact that the Foreign Ministry was found to have closed to the public the information given by the U.S. in negotiations 45 years ago that a U.S. nuclear-powered submarine could leak water containing a small amount of radiation. Experts insist that the ministry should properly explain this information to the public.

This fact was found in the process of Shoji Niihara, a researcher on international issues, examining a declassified document obtained from the National Archives and Records Administration in the U.S. The document details the negotiations between Japan and the U.S. on the first port call in Japan of a U.S. nuclear-powered submarine in 1964. According to the document, the U.S. Department of State instructed the U.S. Embassy in Japan in a cable dated March 19, 1963, to tell Japan, which was calling on the U.S. to ban radiation leaks in Japanese territorial waters, that it was necessary to discharge (cooling) water containing a small amount of radiation when the reactors are warmed up. Japan accepted "exceptional radiation leaks" in the end.

When a reactor is operated before a nuclear vessel leaves port, reactor primary coolant containing a small amount of radiation can be discharged outboard. The Foreign Ministry produced a brochure in November 2006 ahead of the deployment of the aircraft carrier George Washington. But the brochure stopped short of referring to exceptional radiation leaks, just noting: "U.S. nuclear-powered vessels are prohibited from leaking water containing radiation within 12 nautical miles of Japan."

A member of the Status of U.S. Forces Agreement Division in the Foreign Ministry explained: "Basically, there are no exceptions. Since 1964, we have received no report of harm to human health." In reaction, Kunikazu Noguchi, a full-time lecturer (on Radiochemistry

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Science) at the faculty of dentistry of Nihon University, commented: "It should not be concluded that there is no problem based on the fact that no report has been made of harm to human health."

(7) Farm Minister Ota says ministry not making big fuss over tainted-rice issue, causing another stir

TOKYO SHIMBUN (Page 3) (Abridged slightly) September 13, 2008

Agriculture, Forestry, and Fisheries Minister Seiichi Ota, appearing on a satellite TV program on Sept. 12, made the following comment in connection with the fact that rice tainted with pesticide has illegally been distributed: "I can say with confidence that it will

cause no harm to human health. So we are not making a big fuss over it."

Rice distributed by Mikasa Foods Co., a wholesale rice processing firm in Osaka, has been used for human consumption at hospitals. Strong public concerns have also forced shochu distilled spirit and senbei rice cracker makers to voluntarily recall their products. Ota's "no big fuss" remark has drawn calls for his resignation from opposition parties. Consumer safety is likely to become a campaign issue in the next general election that may follow the upcoming LDP presidential election.

After the program, Ota told reporters: "I am not slighting (the issue); I am saying that we will respond to the matter calmly."

On Sept. 11, MAFF Vice Minister Toshiro Shirasu suggested that the rice-processing firm was to blame and not the ministry. Questions have been raised about the ministry's stance, including Ota's remarks.

(8) Poll: Public also divided-Aso wanted for premiership, DPJ preferred for voting in snap election

SANKEI (Top play) (Full) September 13, 2008

In the wake of Prime Minister Yasuo Fukuda's announcement of his resignation and the ruling Liberal Democratic Party's promulgation of a presidential election to pick his successor, the Sankei Shimbun and Fuji News Network conducted a joint public opinion survey on Sep. 10-11. In the survey, DLP Secretary General Taro Aso, 67, was most popular at 37.2 PERCENT among all five candidates running in the LDP race. According to the Sankei Shimbun's findings, Aso has now secured 60 PERCENT of all votes allocated to the LDP's 387 lawmakers in both houses of the Diet. Meanwhile, it looks like his popularity with the public is also growing.

Former LDP Policy Research Council Chairman Nobuteru Ishihara, 51, ranked second at 13.8 PERCENT, followed by former Defense Minister Yuriko Koike, 56, at 13.0 PERCENT, Economic and Fiscal Policy Minister Kaoru Yosano, 70, at 8.6 PERCENT, and former Defense Minister Shigeru Ishiba, 51, at 5.3 PERCENT.

In the survey, respondents were also asked which one they thought would be appropriate for prime minister between each of the five candidates in the LDP presidential election and Ichiro Ozawa, president of the leading opposition Democratic Party of Japan (Minshuto), who has been reelected unopposed for a third term. In

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response to this question, Aso marked 55.3 PERCENT , with Ozawa at 29.4 PERCENT . But Ozawa outpaced all of the other four LDP lawmakers. Respondents were further asked if they hope Ozawa will become prime minister. To this question, "yes" accounted for 30.5 PERCENT , with "no" at 62.7 PERCENT .

In the breakdown of public support for political parties, the LDP stood at 29.1 PERCENT, up 2.1 percentage points from the last survey taken Aug. 2-3. Meanwhile, the DPJ dropped 2.8 points to 23.8 PERCENT. However, when asked which political party they would like to vote for in the next election for the House of Representatives. the DPJ marked 35.2 PERCENT for electoral districts and 34.6 PERCENT for proportional representation, edging out the LDP (34.4 PERCENT for electoral districts, 34.3 PERCENT for proportional representation).

Respondents were further asked when they thought the House of Representatives should be dissolved for a general election. To this question, a total of over 60 PERCENT called for an early dissolution of the lower chamber, broken down into 34.9 PERCENT saying "right after a new cabinet's inauguration" and 31.9 PERCENT saying "within the year." Asked about the desirable form of government, those choosing an "LDP-led" coalition government accounted for only 21.1 PERCENT, with the proportion of those preferring a "DPJ-led" coalition government was 29.8 PERCENT.